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MONTHLY
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CENTRAL INTELLIGENCE AGENCY
Office of Current Intelligence
25 August 1966

MEMORANDUM

SUBJECT: Political Developments in Communist China,
July and August 1966

This memorandum is a compilation and analysis of intelligence reports received by the China Division of OCI during July and August 1966. It was prepared by OCI/FEA/CH.

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SUMMARY

All levels of the political structure in Communist China have been profoundly shaken in recent months, and an end to the turmoil is not yet in sight. The chief unsettling force appears to be Mao Tse-tung's growing mistrust of the leaders who run the party machinery and of the machinery itself.

Whether Mao has felt sharp misgivings about several of the men around him for a long time--as the official record now asserts--or developed them only after resuming public appearances last spring after a five and one-half months absence is, in a sense, unimportant. There is little question that since May he has been back in the saddle, morbidly suspicious of once-trusted comrades, and ready to sweep away all sorts of "freaks and monsters" which he imagines are opposing him in virtually all sectors of society and the party.

The most significant change has been the breakup of the group of radical hardliners who had run the party machinery for more than a decade. Mao has evidently come to believe that many, in varying degrees, are disloyal or ineffective. This group was led by Liu Shao-chi and party General Secretary Teng Hsiao-ping, men who seemed to hold radical views congenial to Mao. Both seem to have been weakened, Liu more than Teng. Important figures dismissed in recent months--Peng Chen, Lo Jui-ching (although army chief of staff, party security affairs seemed to be his major field of responsibility), and propaganda chiefs Lu Ting-i and Chou Yang--were all party-machine figures who apparently held similar views. One of the few party-machine men who have gained in the recent upheaval is Kang Sheng [redacted] who appears to be the chief investigator for the cultural revolution campaign.

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Mao's new lieutenants were drawn mainly from outside the party apparatus. He turned to his favorite general Lin Piao, apparently the only leader now fully trusted, to replace Liu Shao-chi as first deputy. The flexible premier Chou En-lai retains a firm grip on third place, a position held for many years. In fourth place in the list of leaders attending the mammoth 18 August rally in Peking was Tao Chu, former Central-South China boss and a loner, who had been brought to Peking in July to be new propaganda chief.

The situation is puzzling, especially with respect to policy implications. With Mao seemingly intent on pushing radical programs to reshape society, it would seem paradoxical for him to turn against old comrades who shared his radical views and to retain or promote men like Chou En-lai, and the economists Li Fu-chun and Chen Yun, relative moderates who in the past have espoused pragmatic views of the kind now condemned as "revisionist."

The social upheaval which since mid-May has accompanied the shake-up in the political structure appears to be leveling off. Since about mid-July Peking has been trying to curb the excesses of its "cultural revolution" in schools and local organizations. There apparently is less disruption of foreign trade negotiations and foreign travel to China. On 8 August the central committee formally directed that in future attacks upon individuals strict distinction be made between persons loyal to the party who have expressed mistaken views and those who seek to undermine party control.

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Educational institutions have borne the brunt of the "cultural revolution." Classes have been suspended since mid-May and replaced with day-long denunciations of teachers and university officials. Professors have been publicly humiliated and some reportedly committed suicide. Peking has dismissed numerous university administrators for opposing party policies.

It is still far from clear how far Peking intends to push the "thorough reforms" in education promised in a 13 June Central Committee and State Council notice. The only firm steps taken thus far have been a six-month postponement in the enrollment of the 1966 freshman class at universities and the retention of university and high school students at their schools for indoctrination this summer. However, since June the party press has published numerous suggestions for radical departures in enrollment procedures, curricula and operating methods. The practical impact of these proposals may be limited since most resemble practices already in effect in 1964 and 1965.

Scientists and technicians have come in for less harassment than any other segment of Chinese society. The 8 August central committee directive ordered party officials directing the ideological purification drive not to disrupt scientific and technical work. Attempts to denigrate western scientific theories, prominent last winter, have not been highlighted this summer.

The Chinese have been cautious in their approach to agriculture. Floods and droughts having seriously damaged crops in many areas this year, and under these conditions the party is unlikely to initiate new policies that might antagonize peasants and further reduce food supplies. Although reports are occasionally received indicating that privately cultivated land has been reduced, such reports probably refer to restrictions imposed in 1964 and 1965 during "four clearance" drives.

The presence in cities of large numbers of idle, disaffected youth persists as a serious social problem. Make-shift solutions--the sending of youth to the countryside and the development of "street-run" industry--have not met with great success. One government program to deal with unemployed youth--the sending of them to Sinkiang--continues on about the same small scale as in previous years.

China's preoccupation with the domestic cultural revolution has been reflected in the sharp dropoff in Peking's public commentary on Vietnam and all developments abroad. The little that has been said, moreover, follows well-established lines, and Peking's foreign policy still appears to be marking time. The central committee plenum communique contained nothing more than a perfunctory reaffirmation of foreign policy positions expounded on at length over the last few years, and there has been no change in the general tenor of recent pronouncements by Chinese officials. During the summer there were new indications that the North Koreans, long among Peking's staunchest supporters, were edging further toward Moscow and had grown increasingly critical of certain Chinese policies. Chinese military aid continued to arrive in Pakistan

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I. The Leadership

A new team of leaders, headed by Mao Tse-tung and Defense Minister Lin Piao, was unveiled at a mammoth rally held in Peking on 18 August. Profound changes in the power structure of the party apparently have taken place, the most significant being the decline in stature of the "party-machine" group of radical leaders who had dominated the party for more than a decade. The implications all this has for policy are unclear, since Mao himself seems intent on pushing radical programs, but, paradoxically, has retained or promoted some of his most moderately inclined advisers.

The selection of Lin to succeed Mao may be a reflection of Mao's growing mistrust of other elements in the leadership. Lin Piao was described on 18 August as a "close comrade in arms" of Mao, the only leader to receive this accolade in nearly two years. Lin's views on policies are unknown. He is a professional soldier whose few political pronouncements have usually been limited to exhortations to study the thought of Mao. In spite of Lin's limited experience in running party affairs and his long history of ill health, there seems little doubt that he is Mao's chosen heir.

Liu Shao-chi, who had held this position since at least 1956, still holds his ceremonial job of chief of state, but was eighth in the list of officials attending the 18 August rally. General Secretary Teng Hsiao-ping also appears to have lost some ground, though not as much as Liu. He was the sixth in the list of officials at the rally; in the normal order of party rank he would have been in fourth place.

Premier Chou En-lai retains his position in third place, one he has held for many years. He was the only leader besides Mao and Lin Piao singled out for honored treatment at the rally. He made a speech and sat on Mao's right. An NCNA English-language account of the rally linked Lin and Chou together as Mao's "comrades in arms". Newspapers in Peking the next day published many group photographs of Mao, Lin, and Chou, while slighting other leaders.

These shifts in relative standings of leaders, and other as yet unannounced changes, presumably were worked out at the central committee plenum held from 1 to 12 August. The sweeping nature of the changes, and signs of press disarray from 8 to 12 August, suggest that the final decisions were reached only after

sharp debate toward the end of the plenum. The failure to clarify more explicitly positions of top officials, normally done after central committee plenums, implies that the situation is still fluid.

The published list of about 200 officials who were on the rostrum with Mao on 18 August indicates that only the top level of the hierarchy has been shaken up. Most of the first eleven names on the list are out of normal order of rank, but from then on the list adheres, with few exceptions, to the long-established order of party rank.

The appearance of three members of the party's cultural revolution team--Chen Po-ta, the head, and Tao Chu and Kang Sheng--in the top eleven is not necessarily a measure of their true party standing. They may have been accorded prominent treatment merely because the rally was held to celebrate the cultural revolution. On the other hand, since Mao apparently regards the cultural revolution as the single most important political program of the day, he may want the officials charged with conducting that program in his inner circle of advisers.

The chart following page 6 presents the possible current politburo lineup, based on the list of officials attending the 18 August rally.

The most striking aspect of the new leadership is the apparent breakup of the "party-machine" group of leaders. Earlier analyses of the Chinese leadership

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[redacted] had concluded that this grouping, led by Liu Shao-chi and Teng Hsiao-ping, dominated the party, chiefly because such men had a radical or "leftist" approach to policies which was pleasing to Mao. The major party figures dismissed recently--Peng Chen, Lo Jui-ching, Lu Ting-i and Chou Yang--seemed to be "party-machine" men.

Neither Liu nor Teng, powerful general secretary of the party, has been credited with playing any role in the cultural revolution, the party's major program of the past twelve months. Since Teng in particular must have been closely involved, at least in the early stages when three or four members of his secretariat were brought down, his apparent decline implies that he may have overplayed his hand.

Whatever the full reasons for Mao's change of heart, he

CHANGES IN THE CHINESE COMMUNIST PARTY HIERARCHY

POSSIBLE CURRENT POLITBURO LINEUP

Based on list of officials
attending 18 August rally
in Peking

- Mao Tse-tung, Chairman
- ↑ Lin Piao, Vice Chairman
- Chou En-lai, Vice Chairman
- ↑ Tao Chu, new party propaganda chief;
probable new politburo member
- ↑ Chen Po-ta, new politburo member;
head, cultural revolution team
- ↓ Teng Hsiao-ping, General Secretary
- ↑ Kang Sheng, new politburo member;
on cultural revolution team
- ↓ Liu Shao-chi, still chief of state
but party rank uncertain
- ★ Chu Te, unimportant party elder
- ↑ Li Fu-chun, economic planner
- ? Chen Yun, once top economic specialist;
in disfavor since criticizing leap forward
in 1959
- ★ Tung Pi-wu, unimportant party elder
- Chen Yi, Foreign Minister
- Ho Lung, a military man
- Li Hsien-nien, Finance Minister
- (Li Ching-chuan, head of Southwest
party bureau; attended a rally in
Szechwan province about 18 August)
- Tan Chen-lin, agricultural specialist

PREVIOUS POLITBURO LINEUP

This was apparently modified, for first
time since 1958, at Central Committee
plenum held 1-12 August 1966

- Mao Tse-tung, Chairman
- Liu Shao-chi, Vice Chairman
- Chou En-lai, Vice Chairman
- * Chu Te, Vice Chairman
- * Chen Yun, Vice Chairman
- Lin Piao, Vice Chairman
- Teng Hsiao-ping, General Secretary
- * Tung Pi-wu, party elder
- * Peng Chen (purged April 1966)
- Chen Yi, Foreign Minister
- Li Fu-chun, economic planner
- * Peng Te-huai (purged 1959, but not formally
removed from politburo)
- * Liu Po-cheng, inactive general
- Ho Lung, a military man
- Li Hsien-nien, Finance Minister
- Li Ching-chuan, head of Southwest party
bureau;
- Tan Chen-lin, agricultural specialist

* Inactive or regarded as unimportant in
party power structure as of April 1966

- ↑ GAINED
- ↓ LOST
- HELD GROUND
- ★ UNIMPORTANT

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evidently has been persuaded that leaders who had run the party machinery for the past decade were, in varying degrees, untrustworthy or ineffective, and has turned to other elements in the party to carry out his programs. Lin Piao represents the army, Chou En-lai the economists and administrators in the government, and Tao Chu is a loner--a regional official who built his own power base in the Central-South and who cannot be associated with any leaders at the center.

With Mao seemingly intent on pushing a radical program for reshaping society, there is no satisfactory explanation for his willingness to turn against old comrades who seemed to share his radical views and to retain men like Chou En-lai, Li Fu-chun, and Chen Yun, relative moderates who have in the past expounded pragmatic economic views of the kind now condemned as "revisionist."

In view of this contradiction and signs that the situation is still unstable, it is difficult to speculate fruitfully on possible policy implications of the recent leadership upheaval.

II. Domestic Political Developments

A. Slowdown in the Cultural Revolution

Since about mid-July Peking has been trying to curb the excesses of the "cultural revolution" in schools and local organizations. The campaign continues, but party pronouncements have borne down hard on the theme that there are only a "handful" of irreconcilable "class enemies"--and circumspection is to be used in judging who these are and in dealing with them. Less harsh treatment has been ordered for intellectuals and students; physical punishment and forced confessions have been disallowed. The first signs of dampening were noted in mid-July when the provincial party secretaries of Anhwei and Fukien directed their subordinates to "reason with facts" against anti-party elements. On 26 July the Liberation Army Journal criticized the disorder of the campaign.

Significant curbs were formally promulgated by the central committee in a 16-point directive issued on 8 August. According to the directive, strict distinction is to be made between persons who are loyal to the party but who have "expressed certain erroneous views, made certain mistakes, or written certain bad articles" and those who seek to undermine party control. Scientists and technicians are explicitly exempted from political abuse. Under no circumstances are students to "struggle" against students. Party committees at all levels are to "encourage" those comrades who had committed mistakes to repent and mend their ways.

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B. Effects of the Cultural Revolution

1. On Schools

The "cultural revolution" has hit China's educational institutions especially hard. Propaganda denunciations of "black" cultural activities have concentrated fire upon educational figures--who are charged with urging scholastic achievement upon their students rather than the study of Mao--and there have been reports of university riots and mass arrests, the public humiliation of professors as well as students, and a number of suicides.

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2. On Educational Policy

It is still far from clear how far Peking intends to push the "thorough reforms" in education promised in the 13 June Central Committee and State Council notice. The only firm steps thus far taken have been a six-month postponement in the enrollment of the 1966 freshman class at universities and the retention of university and high school students at their schools for indoctrination this summer.

Since June the Peking press has published numerous suggestions for radical departures in enrollment procedures, curricula, and operating methods. Among these suggestions, all attributed to students, have been recommendations that liberal arts and even scientific courses be shortened, that universities not limit admittance to those persons who have completed senior middle schools and that faculty titles be abandoned as were ranks in the armed forces. The students are depicted as "demanding" that senior middle school graduates participate in manual labor before going on to higher education and that the half-work half-study system be implemented in all universities.

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The 8 August Central Committee directive endorsed such proposals in general terms, but their practical impact may be limited, since most resemble practices which were already in effect. The regime has been rigorously screening new college entrants for political reliability for several years. Since 1964 it has drastically reduced study courses by assigning both teachers and students to long stints of manual labor and tours of duty on political work teams.

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Peking claims that there has been widespread opposition to these party policies among university administrators. Since May dozens of presidents, vice presidents and party secretaries of universities, such as the prestigious Peking and Wuhan Universities, have been dismissed in disgrace.

The evidence suggests that few of these officials refused to implement party policies, merely that they argued against them.

It remains to be seen what procedures will actually be put into effect when schools reopen this fall. If the present witch-hunt for heretics keeps up, the already disorganized educational system may be further impaired. Some moderate passages in the 8 August Central Committee directive on the cultural revolution, however, suggest that attempts will be made to restore order to the system.

3. On Scientists and Technicians

Scientists and technicians have come in for less harassment than any other segment of society. Although Peking occasionally deplures the "bourgeois tendencies" of scientists, especially those trained abroad, the 8 August directive specifically enjoined party officials directing the purification drive not to disrupt the work of scientists and technicians. Attempts last winter to denigrate western scientific theories and

urge scientists to consult Mao's works for solutions to technical problems almost reached campaign proportions, but these themes have not been prominent this summer.

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5. On Agricultural Policy

The Chinese continue to be cautious in their approach to agriculture. Floods and droughts have seriously damaged crops in many areas this year. Under these conditions the party is

unlikely to initiate new policies that might antagonize peasants and further reduce food supplies. Although reports are occasionally received indicating that privately cultivated land has been reduced, such reports probably refer to restrictions imposed in 1964 and 1965 during "four clearances" drives.

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7. On Foreign Visitors

No blanket ban on foreign travel to China exists but Peking has been curtailing the influx of foreigners since May. These restrictions on travel are almost certainly directly linked to the internal political turmoil, since personnel handling foreign visitors are undoubtedly being subjected to rigorous and thorough ideological "purification". The Chinese, too, probably do not want to be bothered with inquisitive foreigners in a period of political upheaval. Peking evidently expects the dust to have settled by the fall, for prospective visitors are now being encouraged to take in autumn trade fairs and the 100th anniversary in November of Sun Yat sen's birth.

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C. Youth Problems

The presence in cities of large numbers of idle, disaffected youth has been a serious social problem for several years. There are numerous signs that it persists.

In one of the rare discussions of the problem in the party press, Peoples Daily on 31 March admitted with unusual candor that the regime could not satisfy young people's demand for education and that job opportunities were limited. Conceding that the problem was "complex", Peoples Daily insisted, however, that some solution had to be found because "idle youth" were a fertile breeding ground of "revisionism". It urged urban authorities to step up the "planned emigration" of youth to the countryside and to develop "street-run industry" for those left behind.

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III. Foreign Affairs

China's preoccupation with the domestic cultural revolution has been reflected in the sharp dropoff in Peking's public commentary on all developments abroad. The little that has been said, moreover, follows well-established lines, and Peking's foreign policy still appears to be marking time. The central committee plenum communiqué contained little but a perfunctory reaffirmation of foreign policy positions expounded on at length over the past few years, and there has been no change in the general tenor of recent pronouncements by Chinese officials.

Vietnam: Even Vietnam has been given short shrift. For example, during the third week in June it featured in less than three percent of Peking's broadcasts. The first US attacks on North Vietnam's POL storage facilities did provoke a short-lived torrent of commentary, and Peking propagandists sought to convey the impression that China was more determined than ever to assist Hanoi in resisting this new escalation. In reality, however, Peking's ambiguous statement that China was the "rear area" for Vietnam did not extend previous public commitments. Pro-paganda on Vietnam dropped off again sharply in August.

The violence of Peking's reaction to the 29 June air strikes on Hanoi and Haiphong did not approach that of its response to the August 1964 Tonkin Gulf crisis or to the start of regular US air attacks on North Vietnam in February 1965. Chinese declarations of "resolute support" for the Vietnamese, moreover, did not exhibit the ring of enthusiasm that marked similar statements on this subject a year ago, and the emphasis was on self-reliance by the Vietnamese. An article in People's Daily on 10 July exhorted Hanoi to "rely on your own efforts, and your position is invincible." On 18 July, an editorial in the People's Daily referred to the possibility that all of Vietnam will be turned into a US colony without specifying what China would do in this event.

North Korea: This summer there have been new indications that China has lost considerable ground to the Soviet Union in neighboring North Korea. The Korean Communists, long among Peking's staunchest supporters, have been edging toward Moscow and are increasingly critical of certain Chinese policies, particularly those dealing with Vietnam.

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Publicly, Peking and Pyongyang have avoided attacking each other by name, but the growing coolness in relations was pointed up at the ceremonies in July marking the fifth anniversary of the Chinese-Korean treaty of friendship and mutual assistance. In their formal messages and in speeches at diplomatic receptions, the Chinese omitted all references to the Korean Workers Party (KWP) "headed by Kim Il-sung." This was in marked contrast to Peking's practice on all previous anniversaries and in contrast to the reference by the Koreans in their message this year to the "Chinese Communist Party headed by Mao-Tse-tung." Chinese statements on the sixteenth anniversary of the outbreak of the Korean war also conspicuously avoided references to the KWP and Kim.

Pyongyang's clearest and most explicit public declaration of independence from Peking came on 12 August when Nodong Sinmun in a lengthy declaration of independence condemned "flunkyism" to foreign Communist parties. Although the editorial did not attack the Chinese by name, it contained much thinly veiled criticism of Peking. It endorsed Moscow's call for united bloc action on Vietnam and--clearly referring to the Chinese--chided those who criticize a party's "independent attitude" as "neutralism" or "opportunism".

Pakistan: During the summer there were further indications that Peking was continuing to supply military assistance to Pakistan.

Peking's willingness to provide a significant quantity of relatively modern aircraft and armor from its modest stock demonstrates the value the Chinese put on their ties with Rawalpindi. They apparently see this aid as the price they must pay to keep alive a marriage of convenience based largely on a common antipathy to India. In the past year the Chinese have suffered a number of serious setbacks in their relations with the Afro-Asian world, and they probably see assistance to Pakistan as providing them at least one important non-Communist friend. There are other more tangible advantages. The Chinese recognize that their military aid will lead to increased tension between Pakistan and India and will force New Delhi to divert forces which would otherwise be deployed along the sensitive Sino-Indian frontier. The Chinese also know that their support causes strains between Ayub and the US and complicates Soviet efforts to follow up the Tashkent declaration and increase Moscow's influence in the sub-continent.

Diplomatic Embarrassments: Peking was also embarrassed abroad by the successful defection of a member of the Chinese Trade Commission in Syria and by the expulsion of the Chinese chargé in the Hague following the mysterious death of a Chinese engineer who apparently attempted to defect. The engineer, a member of a visiting Chinese technical group, died in the Chinese chancery on 17 July after having been abducted by Chinese goons from the emergency room of a Dutch hospital where he was receiving emergency treatment for a skull fracture and other serious injuries. The case became a cause celebre which has seriously strained Sino-Dutch relations. The Dutch have declared the Chinese chargé persona non grata and issued subpoenas to prevent the other members of the engineer's delegation from leaving the Netherlands until the investigation of the case is completed. The Chinese, in turn,

declared the Dutch chargé in Peking persona non grata but refused to let him leave China. He continues to be held under virtual house arrest as a hostage for the Chinese technicians in the Hague.

On 26 July, Miao Chen-pai, a member of the Chinese Trade Commission in Syria, entered the US Embassy and requested political asylum. Peking has still not commented publicly on this defection, although reports of the case have appeared in the Western press.

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